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THE
IMPACT OF TRAVEL
ON
STATE ECONOMIES - 1977-78

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The United States Travel Data Center is the national, non-profit center for travel and tourism research. Since its establishment in 1973, the Data Center has devoted itself to advancing the common interest of the travel industry and the public it serves by encouraging, sponsoring and conducting statistical, economic, and scientific research concerning travel, the travel industry and travel-related industries. In pursuit of this objective, the Data Center gathers, analyzes, publishes and disseminates the results of such research, and cooperates with institutions with similar purposes and objectives. The Data Center is financed through publication sales, membership dues and contract research. It is located in Suite 610, 1899 L Street, N.W., Washington, D.C. 20036

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INTRODUCTION

The estimates of the economic impact of travel contained in this volume are the product of the Travel Economic Impact Model (TEIM), an economic model developed expressly to indicate the expenditures, employment, payroll, business receipts and tax revenue generated by travel.

The conceptual development of the model was funded by the Bureau of Land Management of the U.S. Department of the Interior in 1975. Since that time, the Model has been expanded, to reflect the availability of improved data, and computerized. While not included here, the Model has also been extended to produce improved county-level estimates of travel impact. The data contained in this report are the only estimates of the economic impact of travel available for all 50 states and the District of Columbia.

In earlier years, the Data Center published estimates of travel's impact at the state level covering 1974, 1975 and 1976. With the availability of the U.S. Census Bureau's 1977 Censuses of Transportation, Service Industries, and Retail Trade, the Travel Economic Impact Model was revised substantially. The 1977 estimates contained herein are the first set of estimates from the revised model. Consequently, the 1977 estimates are not comparable to earlier data published by the Data Center, and should not be compared to them.

The Data Center views the Model as a continuing, evolving project producing annual estimates. It is hoped that this publication will stimulate discussion and criticism of the Model to promote further development and improvement. Users of these data are encouraged to communicate their reaction, both positive and negative, to the Data Center in the interest of progress in travel research.

The individual state estimates should not necessarily be viewed as substitutes for the work of the states with major research projects on the impact of travel and tourism. Rather, the user should compare the methodologies and results, and draw his own conclusions regarding the validity of differing approaches and estimates.

Estimates for both 1977 and 1978 are contained in this report. In the Appendices, the Travel Economic Impact Model is summarized, and a glossary of terms is provided.

1978 U.S. DOMESTIC TRAVEL EXPENDITURES

In 1978, Americans spent $122.6 billion traveling in the U.S. on overnight trips and day-trips to places 100 miles or more away from home and return. This is a 12.1 percent increase over the $109.8 billion in travel spending by Americans during 1977. As indicated in Table 1, spending on meals while traveling was the dominant expenditure category, totaling almost $35 billion, over 28 percent of the total travel spending of U.S. residents. Auto transportation expenditures were $25 billion, comprising almost 21 percent of the total. Incidental purchases showed the lowest amount of all categories at $9.8 billion and 8.0 percent of the total.

Table 1: U.S. Resident and Foreign Visitor Travel Spending in the U.S., 1978

Expenditure Category	Expenditures (Billions)	Percent of U.S. Total
Public transportation	$ 27.0	19.6%
Auto transportation	25.3	20.6
Lodging	18.6	15.2
Food	37.8	28.4
Entertainment and recreation	10.0	8.2
Incidentals	9.8	8.0
U.S. Total	$122.6	100.0%
U.S. Territories[1]	.5	
Foreign Visitor Spending	7.2	
Grand Total	$130.3	

Note: Details may not add to totals due to rounding.

[1] U.S. territories in this report include American Samoa, Guam, the Marianas, Puerto Rico, and the U.S. Virgin Islands.

In these estimates, lodging expenditures of travelers must be distinguished from total receipts of commercial lodging facilities. The latter includes all sales income of hotels, motels and tourist courts, from room sales, restaurant sales, concessions, valet and other services to customers. The TEIM cannot distinguish meals purchased in independent restaurants from those purchased in restaurants operated by hotels or motels. Consequently, some of the food purchases estimated by the model took place in commercial lodging facilities. This explains how changes in lodging expenditures by travelers may differ from variations in total lodging industry receipts.

Data were obtained from five of the U.S. Territories on U.S. travel expenditures in these areas. As indicated in Table 1, this totaled $510.9 million in 1978. This amount represents only what U.S. residents spent in the two territories, excluding foreign visitor spending. The latter is included in the U.S. Department of Commerce figures on total foreign travel expenditures in the U.S.

According to the U.S. Department of Commerce, receipts from foreign visitors in the U.S. (including U.S. territories) totaled $7,186 million in 1978.[2] This does not include receipts of U.S. carriers for transportation between U.S. and foreign points. The former concept is consistent with the TEIM estimate for American resident travel spending. Together, Americans and foreign visitors spent $130.3 billion on travel in the U.S. in 1978, 12.3 percent more than the level reached during 1977. Total travel-generated expenditures accounted for over 5.5 percent of 1978 Gross National Product in current dollars.[3]

Table 2 shows travel spending in six categories by state visited in 1978. These estimates represent the total expenditures by travelers, including retail sales taxes.

As indicated in the table, California garnered more travel expenditures than any other state at nearly $15.2 billion, or 12 percent of total travel expenditures in the U.S. by Americans during 1978. Florida was second at over $9.5 billion. New York held third place in 1978 with nearly $8.1 billion in travel expenditures. Texas was in fourth position, with nearly $7.3 billion in traveler expenditures in the state.

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[2] U.S. Department of Commerce, Bureau of Economic Analysis, "International Travel and Passenger Fares, 1970-79," Survey of Current Business, Vol. 60, No. 5 (May, 1980), p. 29.

[3] Ibid, p. 5.

Nineteen states in all received more than two billion dollars in travel revenue in 1978 according to the TEIM, compared to only 17 states which surpassed that level in 1977. Those 19 states comprised 72 percent of total expenditures by American travelers in the U.S. Thirty-four states received more than one billion dollars in travel spending revenues in 1978.

At the other end of the scale, Rhode Island received the least amount of travel spending at $303 million. Only four states received less than $500 million from traveler spending in 1978, compared to six states below that level the previous year.

The 1977 estimates of U.S. travel expenditures appear in the last section of this report.

TABLE 2: 1978 U.S. DOMESTIC TRAVEL EXPENDITURES FOR ALL TRIPS
(MILLIONS)

	PUBLIC TRANSPORTATION	AUTOMOBILE TRANSPORTATION	LODGING	FOOD
ALABAMA	$ 134.2	$ 197.5	$ 150.6	$ 314.6
ALASKA	170.2	85.9	71.1	141.9
ARIZONA	307.8	403.2	313.5	556.7
ARKANSAS	75.5	225.0	151.7	451.6
CALIFORNIA	4,189.7	3,298.9	1,866.7	3,747.5
COLORADO	499.7	364.7	404.5	688.2
CONNECTICUT	311.1	698.0	79.9	239.1
DELAWARE	27.5	35.7	76.5	125.1
FLORIDA	1,386.9	1,489.0	2,263.9	2,889.8
GEORGIA	462.4	990.6	381.6	779.2
HAWAII	483.2	213.8	417.8	355.3
IDAHO	84.1	99.7	90.1	261.9
ILLINOIS	1,192.6	1,107.8	352.0	945.8
INDIANA	318.4	424.9	203.9	585.1
IOWA	259.1	270.5	132.5	386.6
KANSAS	190.5	333.8	93.8	295.5
KENTUCKY	174.6	538.6	157.0	407.1
LOUISIANA	398.4	560.7	251.3	636.3
MAINE	90.6	79.7	245.6	305.4
MARYLAND	607.4	216.2	220.6	529.4
MASSACHUSETTS	731.4	724.6	502.2	645.9
MICHIGAN	738.8	809.4	782.7	1,194.5
MINNESOTA	463.8	592.7	459.7	820.7
MISSISSIPPI	86.7	162.4	83.7	272.4
MISSOURI	531.2	668.6	490.0	725.8
MONTANA	15.6	80.1	91.5	178.2
NEBRASKA	129.9	180.4	80.8	297.0
NEVADA	254.5	449.1	530.2	687.6
NEW HAMPSHIRE	58.5	90.3	221.8	230.8
NEW JERSEY	1,064.9	358.9	527.2	989.0

TABLE 2: 1978 U.S. DOMESTIC TRAVEL EXPENDITURES FOR ALL TRIPS (CONTINUED)
(MILLIONS)

	PUBLIC TRANSPORTATION	AUTOMOBILE TRANSPORTATION	LODGING	FOOD
NEW MEXICO	128.2	151.9	117.8	335.5
NEW YORK	1,913.8	1,746.7	1,309.1	2,175.6
NORTH CAROLINA	302.4	575.3	441.0	862.2
NORTH DAKOTA	65.0	145.0	37.8	142.2
OHIO	1,044.0	1,096.1	363.1	1,119.0
OKLAHOMA	288.1	245.9	155.7	513.0
OREGON	360.6	283.6	173.1	544.7
PENNSYLVANIA	1,103.2	999.1	633.4	1,409.1
RHODE ISLAND	63.2	74.2	27.1	88.3
SOUTH CAROLINA	139.6	310.5	290.2	615.4
SOUTH DAKOTA	46.8	77.3	51.4	108.0
TENNESSEE	228.7	354.4	290.7	644.4
TEXAS	1,325.4	1,697.8	1,071.2	1,956.1
UTAH	115.6	137.8	124.1	292.3
VERMONT	28.6	55.2	287.2	408.7
VIRGINIA	395.7	461.3	439.9	667.1
WASHINGTON	383.8	393.9	179.5	596.5
WEST VIRGINIA	77.9	140.9	173.3	262.6
WISCONSIN	292.2	388.7	467.8	893.4
WYOMING	62.0	101.9	87.5	161.3
DISTRICT OF COLUMBIA	222.8	132.5	162.2	323.6
TOTAL	$ 24,026.8	$ 25,320.7	$ 18,577.5	$ 34,803.0

TABLE 2: 1978 U.S. DOMESTIC TRAVEL EXPENDITURES FOR ALL TRIPS (CONTINUED)
(MILLIONS)

	ENTERTAINMENT AND RECREATION	INCIDENTAL PURCHASES	TOTAL
ALABAMA	$ 95.6	$ 107.8	$ 1,000.3
ALASKA	24.3	27.6	521.0
ARIZONA	146.1	168.0	1,895.3
ARKANSAS	126.1	146.2	1,176.1
CALIFORNIA	1,031.1	1,033.5	15,167.4
COLORADO	296.9	217.9	2,471.9
CONNECTICUT	76.6	70.7	1,475.4
DELAWARE	35.7	33.7	334.2
FLORIDA	711.0	775.2	9,515.8
GEORGIA	228.5	223.2	3,065.5
HAWAII	68.9	78.3	1,617.3
IDAHO	45.2	55.8	636.8
ILLINOIS	307.7	284.0	4,193.9
INDIANA	181.1	197.5	1,910.9
IOWA	105.3	112.4	1,256.4
KANSAS	94.1	98.5	1,106.2
KENTUCKY	120.1	123.0	1,520.4
LOUISIANA	169.8	163.2	2,179.7
MAINE	79.5	80.8	891.7
MARYLAND	128.7	140.9	1,843.2
MASSACHUSETTS	167.0	171.3	2,942.4
MICHIGAN	448.8	388.2	4,362.4
MINNESOTA	294.7	242.0	2,873.6
MISSISSIPPI	76.7	86.4	768.3
MISSOURI	242.2	240.8	2,898.6
MONTANA	56.5	57.7	479.6
NEBRASKA	88.0	91.5	867.6
NEVADA	141.0	143.0	2,205.4
NEW HAMPSHIRE	88.1	70.3	759.8
NEW JERSEY	241.7	247.4	3,429.1

TABLE 2: 1978 U.S. DOMESTIC TRAVEL EXPENDITURES FOR ALL TRIPS (CONTINUED)
(MILLIONS)

	ENTERTAINMENT AND RECREATION	INCIDENTAL PURCHASES	TOTAL
NEW MEXICO	90.1	81.8	905.3
NEW YORK	480.2	468.9	8,094.3
NORTH CAROLINA	256.2	258.7	2,695.8
NORTH DAKOTA	36.5	47.8	474.3
OHIO	319.7	327.8	4,269.7
OKLAHOMA	165.1	163.2	1,531.0
OREGON	147.3	145.4	1,654.7
PENNSYLVANIA	427.7	427.5	5,000.0
RHODE ISLAND	24.1	26.5	303.4
SOUTH CAROLINA	157.8	168.9	1,682.4
SOUTH DAKOTA	33.4	37.3	354.6
TENNESSEE	176.9	182.8	1,877.9
TEXAS	613.2	601.7	7,265.4
UTAH	94.8	87.9	852.5
VERMONT	102.5	87.2	969.4
VIRGINIA	191.7	203.6	2,359.3
WASHINGTON	196.9	180.2	1,930.5
WEST VIRGINIA	84.2	93.2	822.1
WISCONSIN	355.3	258.4	2,655.8
WYOMING	63.6	52.9	529.1
DISTRICT OF COLUMBIA	60.8	58.7	960.5
TOTAL	$ 9,995.1	$ 9,831.1	$122,554.2

1978 TRAVEL-GENERATED PAYROLL

The travel expenditures of U.S. residents directly generated over $28 billion in payroll income in 1978. Table 3 indicates the distribution of travel-generated payroll among broad industry categories.

Table 3: Travel-generated Payroll in the U.S., 1978

Industry Category	Payroll (millions)	Percent of U.S. Total
Public transportation	$ 7,313	25.8%
Auto transportation	2,575	9.1
Lodging	4,475	15.8
Food Service	8,882	31.3
Entertainment and Recreation	2,924	10.3
Incidental Purchases	1,349	4.8
Travel Arrangement	820	2.9
U.S. generated Total	$28,338	100.0%
U.S. Territories	123	
Foreign Visitor-generated	1,507	
Grand Total	$29,968	

Note: Details may not add to totals due to rounding.

Food service accounted for 31 percent of the total in 1978. The food service payroll share is considerably less than the food service employment share, however. This was due to relatively low remuneration per job in the eating and drinking place industry. On the other hand, the high wage structure of the public transportation industry is reflected in the sector's share of payroll versus employment. Whereas public transportation employed 10 percent of travel-generated employees, it accounted for over 25 percent of payroll. Other sectors show about the same proportion of travel-generated employment as payroll.

On the average, the ratio of payroll to employment for travel-generated jobs was $6,878 in 1978, up from $6,341 in 1977. The average ranged from $15,675 per job in food service. These figures reflect not only the average hourly wage in each sector, but also the number of hours worked per job per year. Food service and lodging employment indicate relatively low average payroll per job primarily because of the seasonal nature of the businesses and part-time nature of the jobs.

Table 4 indicates the total payroll generated by U.S. travelers in each of the 50 states and the District of Columbia during 1978. California leads with over $3.6 billion in travel-generated payroll, followed by Florida with $2.2 billion. New York is third with more than $2.0 billion and Texas holds fourth place with nearly $1.6 billion.

Five states show less than $100 million in travel-generated payroll during 1978. South Dakota indicates the smallest payroll at over $70 million, while Rhode Island fared slightly better at $74 million.

Examination of data provided by the U.S. territories of American Samoa, Guam, the Marianas, Puerto Rico and the Virgin Islands indicates that U.S. traveler spending in these areas generated $123.3 million in payroll income.

In a special study for the U.S. Travel Service, the Data Center found that foreign visitor spending in the U.S. generated over $1.5 billion in payroll income for U.S. residents.[4]

Adding together the wage and salary income produced by U.S. and foreign travelers in the fifty states, the District of Columbia, and the five territories in 1978 produces a total of nearly thirty billion dollars in travel-generated payroll. This accounted for 2.7 percent of total wage and salary disbursements for the nation, and 1.6 percent of total personal income in 1978.

Travel-generated payroll grew 14.3 percent in 1978 over the previous year, outstripping the 12.1 percent increase posted by total national wage and salary disbursements. The gross payroll for travel arrangement employees grew fastest among the major industry sectors, at nearly 22 percent. This reflects, of course, both rising pay scales and additional employees. Travel-generated payroll for those employed in businesses where travelers make incidental purchases showed the slowest rate of increase at 8 percent.

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[4] "The Economic Impact of Foreign Visitor Spending in the United States," a study prepared for the U.S. Travel Service by the U.S. Travel Data Center, September, 1980, 33 pages.

Among the states, Nevada posted the highest rate of increase in travel-generated payroll in 1978 with a growth of more than 23 percent. Alaska appeared to post the slowest growth at one percent over 1977.

The estimates of travel-generated payroll by state for 1977 are presented in the final section of this report.

TABLE 4: 1978 U.S. TRAVEL-GENERATED PAYROLL (MILLIONS)

	PUBLIC TRANSPORTATION	AUTOMOBILE TRANSPORTATION	LODGING	FOOD
ALABAMA	$ 39.7	$ 15.0	$ 35.4	$ 75.3
ALASKA	50.9	11.3	18.1	41.9
ARIZONA	92.2	31.3	70.8	140.0
ARKANSAS	21.0	17.7	32.7	110.7
CALIFORNIA	1,268.5	285.9	437.9	1,008.3
COLORADO	147.6	31.5	103.3	183.4
CONNECTICUT	127.1	75.7	23.1	61.9
DELAWARE	27.8	2.6	19.1	31.4
FLORIDA	406.1	123.9	531.4	720.2
GEORGIA	136.9	96.7	104.3	194.3
HAWAII	147.6	27.6	118.9	101.5
IDAHO	24.4	7.6	25.0	64.5
ILLINOIS	390.9	112.4	98.1	237.1
INDIANA	108.9	34.4	53.2	144.8
IOWA	74.8	23.4	33.3	92.8
KANSAS	56.2	30.9	24.9	75.0
KENTUCKY	52.3	48.5	38.6	100.0
LOUISIANA	122.5	50.7	70.8	160.2
MAINE	26.9	6.2	52.7	73.9
MARYLAND	194.7	19.5	57.0	131.6
MASSACHUSETTS	226.9	75.0	118.6	167.0
MICHIGAN	219.1	61.5	153.2	297.3
MINNESOTA	137.5	49.6	101.5	219.5
MISSISSIPPI	23.9	12.2	22.6	65.9
MISSOURI	156.8	58.9	111.7	185.4
MONTANA	5.0	6.3	20.5	43.7
NEBRASKA	37.3	14.9	21.4	72.2
NEVADA	77.4	364.7	162.3	181.4
NEW HAMPSHIRE	15.0	6.4	43.5	58.5
NEW JERSEY	320.7	31.1	126.1	246.3

TABLE 4: 1978 U.S. TRAVEL-GENERATED PAYROLL (MILLIONS) (CONTINUED)

	PUBLIC TRANSPORTATION	AUTOMOBILE TRANSPORTATION	LODGING	FOOD
NEW MEXICO	39.1	12.2	28.0	83.1
NEW YORK	600.7	162.5	316.1	589.3
NORTH CAROLINA	80.2	47.5	90.4	217.2
NORTH DAKOTA	18.3	13.7	9.0	35.7
OHIO	294.6	101.2	99.7	278.1
OKLAHOMA	86.1	19.1	36.9	130.9
OREGON	107.3	23.5	40.4	142.0
PENNSYLVANIA	356.3	86.3	157.0	338.6
RHODE ISLAND	25.2	5.4	7.0	22.6
SOUTH CAROLINA	38.5	23.5	68.0	146.5
SOUTH DAKOTA	13.8	6.0	10.7	26.7
TENNESSEE	61.9	27.1	72.8	157.2
TEXAS	376.2	159.1	252.1	503.6
UTAH	35.7	9.9	27.1	74.2
VERMONT	7.2	4.0	72.0	101.8
VIRGINIA	107.1	42.5	101.4	167.2
WASHINGTON	111.1	34.3	46.3	158.9
WEST VIRGINIA	22.5	11.0	43.1	64.3
WISCONSIN	82.2	30.0	92.0	220.8
WYOMING	17.5	8.3	19.8	39.0
DISTRICT OF COLUMBIA	95.1	14.9	54.8	98.7
TOTAL	$ 7,313.2	$ 2,575.4	$ 4,474.6	$ 8,882.4

TABLE 4 : 1978 U.S. TRAVEL-GENERATED PAYROLL (MILLIONS) (CONTINUED)

	ENTERTAINMENT AND RECREATION	INCIDENTAL PURCHASES	TRAVEL ARRANGEMENT	TOTAL
ALABAMA	$ 25.9	$ 15.0	$ 2.4	$ 208.7
ALASKA	6.2	3.9	3.4	135.7
ARIZONA	42.5	22.4	6.8	406.0
ARKANSAS	32.2	17.9	1.2	233.4
CALIFORNIA	324.9	143.1	150.5	3,619.1
COLORADO	80.6	29.2	11.6	587.2
CONNECTICUT	19.8	9.3	20.3	337.2
DELAWARE	9.1	4.2	.8	95.0
FLORIDA	225.9	104.9	38.3	2,154.7
GEORGIA	71.1	32.4	6.0	641.7
HAWAII	22.3	10.0	33.2	461.1
IDAHO	11.6	7.2	1.6	141.9
ILLINOIS	86.9	41.8	53.1	1,020.3
INDIANA	51.0	25.9	6.0	424.2
IOWA	26.8	15.1	4.1	270.3
KANSAS	24.1	13.0	6.6	230.7
KENTUCKY	32.2	16.2	2.4	290.2
LOUISIANA	50.6	23.4	7.2	485.4
MAINE	22.4	9.1	1.2	192.4
MARYLAND	41.3	19.4	12.2	475.7
MASSACHUSETTS	48.8	22.7	33.1	692.1
MICHIGAN	124.7	55.3	24.7	935.8
MINNESOTA	90.3	33.6	16.9	648.9
MISSISSIPPI	17.7	11.3	1.4	155.0
MISSOURI	77.8	34.8	17.6	643.0
MONTANA	15.5	7.4	1.3	99.7
NEBRASKA	23.3	11.7	2.7	183.5
NEVADA	46.6	18.9	8.8	850.1
NEW HAMPSHIRE	24.2	8.3	2.1	158.0
NEW JERSEY	74.0	33.0	29.3	860.5

TABLE 4: 1978 U.S. TRAVEL-GENERATED PAYROLL (MILLIONS) (CONTINUED)

	ENTERTAINMENT AND RECREATION	INCIDENTAL PURCHASES	TRAVEL ARRANGEMENT	TOTAL
NEW MEXICO	23.3	10.4	1.7	197.8
NEW YORK	147.5	69.2	135.1	2,023.4
NORTH CAROLINA	72.2	36.0	5.1	548.6
NORTH DAKOTA	8.7	6.0	1.1	92.5
OHIO	94.3	47.3	19.3	934.5
OKLAHOMA	42.8	20.7	4.1	340.6
OREGON	44.8	18.6	8.3	384.9
PENNSYLVANIA	125.8	59.0	31.4	1,154.4
RHODE ISLAND	7.3	3.4	2.6	73.5
SOUTH CAROLINA	41.8	23.9	2.2	344.4
SOUTH DAKOTA	8.2	4.6	.4	70.4
TENNESSEE	48.8	25.9	4.9	398.6
TEXAS	177.2	81.7	38.4	1,588.3
UTAH	30.9	11.5	3.8	193.1
VERMONT	32.4	10.2	.9	228.5
VIRGINIA	56.7	27.8	8.2	510.9
WASHINGTON	56.3	25.7	21.2	453.8
WEST VIRGINIA	20.1	10.8	1.1	172.9
WISCONSIN	102.6	36.5	11.4	575.5
WYOMING	17.1	6.4	.8	108.9
DISTRICT OF COLUMBIA	15.0	9.0	7.8	295.3
TOTAL	$ 2,924.1	$ 1,349.0	$ 819.6	$ 28,338.3

1978 TRAVEL-GENERATED EMPLOYMENT

American travel expenditures in the U.S. directly generated over 4.1 million jobs in the U.S. in 1978, according to the TEIM. This is a 5.4 percent increase over the number of jobs directly attributable to travel in 1977, somewhat faster than the 5.1 percent growth rate of total U.S. non-agricultural payroll employment in 1977.

Table 5: Travel-generated Employment in the U.S., 1978

Industry Category	Employment (thousands)	Percent of U.S. Total
Public transportation	432	10.5%
Auto transportation	300	7.3
Lodging	721	17.5
Food Service	1,953	47.4
Entertainment and recreation	444	10.8
Incidental purchases	187	4.5
Travel arrangement	83	2.0
U.S. Total	4,120	100.0%
U.S. Territories	25	
Foreign Visitor-generated	256	
Grand Total . . .	4,400	

Note: Details may not add to totals due to rounding.

Table 5 shows the distribution of U.S. domestic travel-generated jobs among broad industry categories. Food service accounted for over 47 percent of travel-generated employment in 1978, and almost 2 million jobs. As noted earlier, some of the travel-generated food service employment occurs in the commercial lodging industry, while the bulk is found in separate eating and drinking places.

Lodging was the second largest job category with 18 percent of total travel-generated employment. All transportation (public and private auto) accounted for 18 percent of the total. Employment created by travel-generated spending for entertainment and recreation services and incidental goods and services were 10.8 percent and 4.5 percent of total employment in 1978, respectively.

Travel agents, tour operators and other firms arranging passenger transportation produced 2 percent of the U.S. travel-generated employment.

The Data Center estimates that spending by U.S. visitors to the five U.S. territories generated 25 thousand jobs in 1978. The special study for the U.S. Travel Service noted earlier indicates that 256 thousand U.S. jobs were directly attributable to foreign travel visitor spending during 1978. However, this employment cannot be distributed among the states as U.S. travel-generated employment can.

In total, U.S. and foreign traveler spending in the states, the territories and the District of Columbia produced 4.4 million jobs in 1978. These jobs accounted for 5.1 percent of total non-agricultural payroll employment in the U.S. during that year.

Table 6 provides perspectives on travel-generated employment in each of the states. As a proportion of total non-agricultural payroll employment, travel-generated jobs are highest in Nevada, where they account for over 27 percent of total employment. Vermont ranks second on this basis, and three other states have more than 10 percent.

Illinois shows the lowest proportion of total non-agricultural employment directly generated by travel. In general, the larger, more industrialized states are characterized by more diversified economies than smaller states, with a number of different industries providing substantial employment.

This is highlighted in the column showing travel-generated employment as an industry ranked among other industries in 1977. Here, total travel-generated employment in a state is compared to employment in each industry at the two-digit level of Standard Industrial Classifications. Agriculture is treated as a single such industry, but government is excluded due to lack of consistent data at the two-digit level.[5]

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[5]Compared data for 1978 could not be obtained from the U.S. Department of Labor in time for this study. For a detailed discussion of the method used to rank travel-generated employment in the states, see: Douglas C. Frechtling, "Travel as an Employer in the State Economy," Journal of Travel Research, Vol. XV, No. 4 (Spring, 1977), pp. 8-12.

Travel away from home generates directly more jobs than any other private industry in 14 states, and is among the top three private employers in 38 states. In no state does it rank lower than ninth among the 69 private-sector industries investigated. At the national level, employment directly generated by travel away from home was exceeded only by the health services industry, and farm employment in 1977.

The ratio of travel expenditures to travel-generated employment may be considered a measure of the amount of spending required to support one job in the travel industry. According to the TEIM, the ratio for 1978 is $29,610 per job, up 5.8 percent from the $27,980 estimated for 1977.

Table 7 shows employment in each of the fifty states and the District of Columbia generated by U.S. travel spending in 1978. California includes more travel-generated jobs than any other state, with more than ten percent of the national total. Florida follows with nearly eight percent. In all, eleven states indicate travel-generated employment exceeding 100 thousand jobs for the year.

At the other end of the scale, Rhode Island appears as the state with the least number of travel-generated jobs, with little more than eleven thousand. In all only five states are estimated to have fewer than twenty thousand travel-generated jobs during 1978.

In a number of states, foreign visitor spending generated a substantial number of jobs. The impact of these visitors cannot now be distributed among states, so travel-generated employment is understated in these states.

Total travel-generated employment grew 5.4 percent in 1978 over the previous year. Among the broad industry categories, travel arrangement showed the most growth at over 15 percent. The incidentals industry category showed a decline of almost one percent, as travel expenditures for this item did not grow fast enough to offset rising wage and salary rates.

Among the states, Nevada showed the highest growth rate in travel-generated employment at over 12 percent, followed by California. Alaska showed a four percent decline in the number of jobs directly attributable to travel during 1978.

The 1977 estimates of travel-generated employment by state and industry category appear in the final section of this report.

TABLE 6: 1978 U.S. TRAVEL-GENERATED EMPLOYMENT (THOUSANDS)

	PUBLIC TRANSPORTATION	AUTOMOBILE TRANSPORTATION	LODGING	FOOD
ALABAMA	2.9	2.1	6.8	17.7
ALASKA	2.6	.9	1.8	4.6
ARIZONA	5.0	4.0	12.1	33.1
ARKANSAS	1.7	2.6	6.3	27.8
CALIFORNIA	64.1	30.0	64.5	194.8
COLORADO	8.0	4.5	18.6	43.6
CONNECTICUT	7.8	8.3	3.8	13.2
DELAWARE	2.0	.4	3.4	7.4
FLORIDA	23.2	15.5	87.8	149.5
GEORGIA	7.2	11.9	17.6	42.7
HAWAII	8.3	3.8	13.5	19.0
IDAHO	1.9	1.1	4.8	17.0
ILLINOIS	21.4	11.7	14.7	50.0
INDIANA	7.9	4.3	10.3	34.5
IOWA	5.9	3.0	7.6	27.1
KANSAS	4.6	3.8	5.4	19.6
KENTUCKY	3.4	6.3	7.7	23.1
LOUISIANA	8.1	6.3	12.2	34.7
MAINE	2.2	.9	9.5	16.6
MARYLAND	13.8	2.2	9.8	27.0
MASSACHUSETTS	13.1	8.5	18.9	36.7
MICHIGAN	14.5	7.1	22.4	68.3
MINNESOTA	7.5	6.1	16.9	57.6
MISSISSIPPI	2.0	1.8	4.2	16.1
MISSOURI	9.1	7.2	18.6	46.1
MONTANA	.4	1.0	4.3	11.2
NEBRASKA	2.6	1.9	4.9	19.8
NEVADA	4.7	34.8	16.4	33.0
NEW HAMPSHIRE	1.4	.9	6.7	14.6
NEW JERSEY	18.5	3.4	19.5	47.8

TABLE 6: 1978 U.S. TRAVEL-GENERATED EMPLOYMENT (THOUSANDS) (CONTINUED)

	PUBLIC TRANSPORTATION	AUTOMOBILE TRANSPORTATION	LODGING	FOOD
NEW MEXICO	3.0	1.8	5.6	19.8
NEW YORK	30.0	18.1	38.5	101.0
NORTH CAROLINA	5.9	6.2	16.2	49.7
NORTH DAKOTA	1.3	1.5	2.1	10.1
OHIO	18.3	10.7	18.7	62.9
OKLAHOMA	5.1	2.6	6.9	31.6
OREGON	6.5	3.2	7.8	32.1
PENNSYLVANIA	23.8	11.3	27.6	82.7
RHODE ISLAND	1.8	.8	1.3	5.3
SOUTH CAROLINA	3.2	3.4	12.3	34.8
SOUTH DAKOTA	1.0	.4	2.5	8.0
TENNESSEE	4.3	3.6	12.1	38.1
TEXAS	22.7	19.3	42.2	104.4
UTAH	2.2	1.5	5.1	20.8
VERMONT	.6	.7	13.2	24.6
VIRGINIA	5.8	5.4	17.3	38.4
WASHINGTON	5.8	4.1	7.7	32.8
WEST VIRGINIA	2.1	1.5	6.8	15.1
WISCONSIN	5.7	3.9	16.2	61.0
WYOMING	1.6	1.2	3.8	9.7
DISTRICT OF COLUMBIA	5.8	1.7	6.1	15.7
TOTAL	432.3	299.9	721.0	1,952.8

TABLE 6: 1978 U.S. TRAVEL-GENERATED EMPLOYMENT (THOUSANDS) (CONTINUED)

	ENTERTAINMENT AND RECREATION	INCIDENTAL PURCHASES	TRAVEL ARRANGEMENT	TOTAL
ALABAMA	4.8	2.1	.3	36.7
ALASKA	.8	.3	.3	11.3
ARIZONA	6.5	3.2	.8	54.7
ARKANSAS	3.4	2.6	.2	46.6
CALIFORNIA	38.6	18.1	15.5	425.6
COLORADO	10.6	4.2	1.4	90.9
CONNECTICUT	2.7	1.4	1.9	39.1
DELAWARE	1.4	.7	.1	15.4
FLORIDA	29.3	15.0	4.2	324.5
GEORGIA	10.6	4.6	.6	95.2
HAWAII	3.4	1.3	3.8	53.1
IDAHO	2.7	1.0	.2	28.7
ILLINOIS	12.4	5.7	5.2	121.1
INDIANA	8.3	3.8	.7	89.8
IOWA	6.8	2.5	.5	53.4
KANSAS	5.1	2.0	.7	41.2
KENTUCKY	5.8	2.5	.3	49.1
LOUISIANA	8.2	3.2	.7	73.4
MAINE	4.0	1.3	.1	34.6
MARYLAND	6.1	2.8	1.2	52.9
MASSACHUSETTS	6.9	3.3	3.2	90.6
MICHIGAN	18.1	7.0	2.5	139.9
MINNESOTA	16.6	4.9	1.6	111.2
MISSISSIPPI	3.2	1.7	.2	29.2
MISSOURI	12.5	4.5	1.5	99.5
MONTANA	3.5	1.0	.2	21.6
NEBRASKA	5.6	1.9	.3	37.0
NEVADA	4.2	2.3	.8	96.2
NEW HAMPSHIRE	3.8	1.2	.3	28.9
NEW JERSEY	9.4	4.8	3.3	106.7

TABLE 6: 1978 U.S. TRAVEL-GENERATED EMPLOYMENT (THOUSANDS) (CONTINUED)

	ENTERTAINMENT AND RECREATION	INCIDENTAL PURCHASES	TRAVEL ARRANGEMENT	TOTAL
NEW MEXICO	4.0	1.6	.2	36.0
NEW YORK	15.4	8.8	14.1	223.9
NORTH CAROLINA	12.1	5.3	.5	95.9
NORTH DAKOTA	2.2	.9	.1	13.5
OHIO	14.3	6.6	2.0	133.5
OKLAHOMA	7.0	3.0	.4	55.6
OREGON	7.7	2.3	1.0	60.6
PENNSYLVANIA	19.4	8.5	3.5	176.8
RHODE ISLAND	1.2	.5	.3	11.2
SOUTH CAROLINA	7.1	3.7	.2	54.7
SOUTH DAKOTA	2.0	.7	.1	15.1
TENNESSEE	7.5	3.7	.6	69.9
TEXAS	26.6	10.6	3.7	229.5
UTAH	6.1	1.7	.4	37.8
VERMONT	6.8	1.5	.1	47.5
VIRGINIA	10.0	4.3	1.0	82.2
WASHINGTON	7.9	3.0	2.2	63.5
WEST VIRGINIA	3.3	1.7	.1	30.6
WISCONSIN	20.9	5.6	1.2	114.5
WYOMING	3.5	.9	.1	20.8
DISTRICT OF COLUMBIA	1.6	1.0	.7	32.6
TOTAL	443.9	186.8	83.1	4,119.8

Table 7: Travel-generated Employment as Percent of Total Employment, and Ranked Among Private Industries, by State, 1977 and 1978

	Travel-generated employment, 1978 (thousands)	Travel-generated employment as percent of total employment, 1978[1]	Travel-generated employment rank, 1977[2]
ALABAMA	36.7	2.7%	6
ALASKA	11.3	6.9	1
ARIZONA	64.7	7.2	1
ARKANSAS	46.6	6.4	2
CALIFORNIA	425.6	4.6	2
COLORADO	90.0	7.9	1
CONNECTICUT	39.1	2.9	9
DELAWARE	15.4	6.2	2
FLORIDA	324.5	10.2	1
GEORGIA	95.2	4.6	2
HAWAII	53.1	14.1	1
IDAHO	28.7	8.7	2
ILLINOIS	121.1	2.6	9
INDIANA	69.8	3.2	7
IOWA	53.4	4.8	4
KANSAS	41.2	4.5	3
KENTUCKY	49.1	4.1	3
LOUISIANA	73.4	5.0	1
MAINE	34.6	8.5	1
MARYLAND	62.9	3.9	3
MASSACHUSETTS	90.6	3.6	3
MICHIGAN	139.9	3.9	5
MINNESOTA	111.2	6.6	2
MISSISSIPPI	29.2	3.6	4
MISSOURI	99.5	5.1	3
MONTANA	21.6	7.7	2
NEBRASKA	37.0	6.1	2
NEVADA	96.2	27.5	1
NEW HAMPSHIRE	28.9	8.0	1
NEW JERSEY	106.7	3.6	5

Table 7: Travel-generated Employment as Percent of Total Employment, and Ranked Among Private Industries, by State, 1977 and 1978 (Continued).

	Travel-generated employment, 1978 (thousands)	Travel-generated employment as percent of total employment, 1978[1]	Travel-generated employment rank,[2] 1977
NEW MEXICO	36.0	8.1%	1
NEW YORK	223.9	3.2	3
NORTH CAROLINA	95.9	4.2	3
NORTH DAKOTA	18.5	7.9	3
OHIO	133.5	3.0	8
OKLAHOMA	56.6	5.5	2
OREGON	60.6	6.0	3
PENNSYLVANIA	176.8	3.7	3
RHODE ISLAND	11.2	2.8	5
SOUTH CAROLINA	64.7	5.7	2
SOUTH DAKOTA	15.1	6.4	3
TENNESSEE	69.9	4.0	3
TEXAS	229.5	4.4	3
UTAH	37.8	7.2	1
VERMONT	47.5	24.9	1
VIRGINIA	82.2	4.0	2
WASHINGTON	63.5	4.2	4
WEST VIRGINIA	30.6	4.9	4
WISCONSIN	114.5	6.1	4
WYOMING	20.8	11.1	1
DISTRICT OF COLUMBIA	32.6	5.4	1
U.S. OVERALL	4,119.8	4.8	3

[1] Travel-generated employment as percent of total non-agricultural payroll employment.

[2] Total travel-generated employment rank among all private-industry two-digit SIC codes, with farm employment treated as a single code.

Source: U.S. Travel Data Center.

1978 TRAVEL-GENERATED TAX RECEIPTS

Traveler purchases, and the business and personal income they generate, produce tax revenue for Federal, state and local governments. The TEIM indicates that U.S. travelers directly generated nearly $13.3 billion in tax revenue in 1978, or 2.8 percent of the total tax revenue of all levels of government in that year. The Glossary in Appendix B lists the types of taxes included in the TEIM for each level of government

Table 8 indicates the distribution of travel-generated tax receipts among the three levels of government.

Table 8: Travel-generated Tax Receipts in the U.S., 1978.

Level of Government	Tax Receipts (millions)	Percent of U.S. Total
Federal	$ 7,092	53.4%
State	4,619	34.8
Local	1,560	11.8
U.S. generated Total	$13,271	100.0%
U.S. Territories	48	
Foreign Visitor-generated	666	
Grand Total	$13,985	

During 1978, travel-generated federal tax revenue accounted for over half of the combined total for all levels of government. State revenues attributable to travel produced nearly 35 percent of the total, while local taxes accounted for about 12 percent.

Comparison of this distribution to the distribution for all tax revenue indicates how successful each level of government is in obtaining tax revenue from travelers relative to the other levels. In fiscal 1978, the federal government collected 59 percent of all tax revenue collected by government in the U.S., states collected 24 percent, and local governments, 17 percent.[5] This indicates that the state governments are relatively more aggressive in taxing travel-related activities than the other levels.

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[5] U.S. Bureau of the Census, Governmental Finances in 1977-1978, U.S. Government Printing Office, Washington, D.C., 1979, p. 13.

Tax revenue generated by U.S. traveler spending in 1978 grew 12.3 percent over 1977, faster than the 11.5 percent growth in total tax revenue for all levels of government. This growth is, of course, the product of both rising travel expenditures and changing tax rates.

On the average, each dollar of U.S. travel spending generated 5.8 percent of federal tax revenue, 3.8 cents in state revenue and 1.3 cents in local revenue in 1978, for a total of 10.8 cents.

The Data Center estimates that U.S. visitors to the five U.S. territories generated about $48 million in tax revenue. Based on the study prepared for the U.S. Travel Service referenced in the section on expenditures, the Data Center estimates that foreign visitors to the U.S. generated $666 million in Federal, state and local tax revenue in 1978.

Table 9 shows the tax receipts generated by U.S. travelers in the fifty states and the District of Columbia. The state and local receipts are the product of the individual tax structure prevailing in each jurisdiction and the structure of travel expenditures.

Estimates of tax revenue generated by state for 1977 are included in the final section of this report.

TABLE 9 : 1978 U.S. TRAVEL-GENERATED TAX REVENUES (MILLIONS)

	FEDERAL TAX REVENUES	STATE TAX REVENUES	LOCAL TAX REVENUES	TOTAL
ALABAMA	$ 42.7	$ 39.7	$ 10.5	$ 92.9
ALASKA	34.8	9.3	4.9	49.0
ARIZONA	87.8	77.5	24.5	189.8
ARKANSAS	38.6	47.9	4.5	91.0
CALIFORNIA	936.5	519.6	252.8	1,708.9
COLORADO	177.4	72.8	44.2	294.4
CONNECTICUT	101.8	86.3	17.0	205.1
DELAWARE	29.6	6.8	1.9	38.3
FLORIDA	400.5	353.7	62.9	817.1
GEORGIA	146.8	119.0	26.9	292.7
HAWAII	100.0	60.4	10.0	170.4
IDAHO	31.0	24.2	4.4	59.6
ILLINOIS	333.7	134.8	53.4	521.9
INDIANA	106.0	76.0	17.9	199.9
IOWA	55.2	46.3	10.4	111.9
KANSAS	50.2	42.4	10.6	103.2
KENTUCKY	60.4	72.6	5.3	138.3
LOUISIANA	105.9	76.9	20.7	203.5
MAINE	34.5	36.3	8.3	79.1
MARYLAND	144.4	71.0	20.6	236.0
MASSACHUSETTS	183.0	150.7	47.6	381.3
MICHIGAN	287.3	162.6	40.3	490.2
MINNESOTA	188.6	133.2	25.5	347.3
MISSISSIPPI	25.1	36.1	8.0	69.2
MISSOURI	194.7	97.4	29.6	321.7
MONTANA	15.8	10.6	5.3	31.7
NEBRASKA	42.7	35.1	10.1	87.9
NEVADA	147.1	46.5	27.6	221.2
NEW HAMPSHIRE	31.2	11.6	8.2	51.0
NEW JERSEY	231.6	127.0	47.1	405.7

TABLE 9 : 1978 U.S. TRAVEL-GENERATED TAX REVENUES (MILLIONS) (CONTINUED)

	FEDERAL TAX REVENUES	STATE TAX REVENUES	LOCAL TAX REVENUES	TOTAL
NEW MEXICO	37.1	36.0	4.1	77.2
NEW YORK	674.1	332.0	281.4	1,287.5
NORTH CAROLINA	114.0	96.3	26.2	236.5
NORTH DAKOTA	17.7	22.7	2.9	43.3
OHIO	289.7	138.7	42.9	471.3
OKLAHOMA	75.7	38.4	26.3	140.4
OREGON	91.3	30.5	17.4	139.2
PENNSYLVANIA	327.8	239.0	44.4	611.2
RHODE ISLAND	20.7	16.8	3.5	41.0
SOUTH CAROLINA	62.0	75.1	7.5	144.6
SOUTH DAKOTA	13.0	14.0	4.5	31.5
TENNESSEE	80.0	89.2	22.1	191.3
TEXAS	388.6	223.2	100.4	712.2
UTAH	40.1	38.5	10.9	89.5
VERMONT	31.3	48.3	12.3	91.9
VIRGINIA	100.0	83.8	33.6	217.4
WASHINGTON	102.1	78.4	16.3	196.8
WEST VIRGINIA	29.3	29.6	3.2	62.1
WISCONSIN	132.6	118.0	23.5	274.1
WYOMING	19.3	17.7	6.7	43.7
DISTRICT OF COLUMBIA	80.5	68.5	9.5	158.5
TOTAL	$ 7,091.8	$ 4,619.0	$ 1,560.6	$13,271.4

1977 IMPACT OF TRAVEL ON STATE ECONOMIES

The following four tables contain the estimates of U.S. travel expenditures and their impact on payroll, employment, and tax revenue in each of the fifty states and the District of Columbia for 1977. They are consistent with the 1978 estimates presented earlier in this report, and were developed by the Data Center's Travel Economic Impact Model.

Table 10 contains estimates of U.S. resident travel expenditures in each state for 1977, by expenditure category.

Table 11 provides the estimates of payroll or wage and salary income generated by this spending in each state in 1977, by industry category.

Table 12 provides estimates of employment generated by travel spending in each state during 1977, by industry category.

Table 13 comprises estimates of federal, state and local tax revenue generated by travel spending in each state in 1977.

It should be noted that these estimates are not consistent with any developed by the Data Center for earlier years.

TABLE 10: 1977 U.S. DOMESTIC TRAVEL EXPENDITURES FOR ALL TRIPS
(MILLIONS)

	PUBLIC TRANSPORTATION	AUTOMOBILE TRANSPORTATION	LODGING	FOOD
ALABAMA	$ 120.2	$ 183.0	$ 129.7	$ 282.1
ALASKA	171.9	81.2	69.9	141.9
ARIZONA	259.4	349.6	271.0	496.2
ARKANSAS	67.4	205.4	129.9	402.5
CALIFORNIA	3,485.0	2,745.0	1,569.7	3,278.7
COLORADO	406.6	332.7	337.1	592.8
CONNECTICUT	276.3	609.4	67.8	211.4
DELAWARE	25.0	32.8	70.0	118.6
FLORIDA	1,164.6	1,324.3	1,972.5	2,619.9
GEORGIA	384.0	879.9	333.8	709.7
HAWAII	435.1	180.2	376.7	334.2
IDAHO	73.4	88.6	79.2	237.5
ILLINOIS	1,060.3	996.1	309.3	866.1
INDIANA	287.4	385.4	179.2	535.4
IOWA	236.4	243.4	119.8	364.0
KANSAS	166.0	307.8	85.1	280.1
KENTUCKY	155.5	463.9	141.6	383.0
LOUISIANA	338.9	488.5	211.3	557.7
MAINE	81.3	75.0	214.7	276.9
MARYLAND	543.4	203.7	195.4	488.8
MASSACHUSETTS	658.8	647.7	443.3	594.2
MICHIGAN	657.1	759.4	691.2	1,096.9
MINNESOTA	441.0	550.3	414.5	774.3
MISSISSIPPI	76.6	147.9	72.7	246.1
MISSOURI	461.9	600.6	437.8	675.8
MONTANA	16.1	75.6	82.4	165.9
NEBRASKA	118.6	167.1	74.8	285.5
NEVADA	220.0	390.1	411.3	554.9
NEW HAMPSHIRE	53.7	99.6	192.0	207.6
NEW JERSEY	917.2	330.0	442.5	865.2

TABLE 10: 1977 U.S. DOMESTIC TRAVEL EXPENDITURES FOR ALL TRIPS (CONTINUED)
(MILLIONS)

	PUBLIC TRANSPORTATION	AUTOMOBILE TRANSPORTATION	LODGING	FOOD
NEW MEXICO	116.1	142.0	100.2	294.6
NEW YORK	1,710.9	1,520.4	1,111.4	1,923.6
NORTH CAROLINA	272.4	536.8	381.7	775.4
NORTH DAKOTA	63.2	131.8	34.3	134.8
OHIO	937.2	988.3	319.9	1,023.8
OKLAHOMA	249.6	223.8	132.7	451.2
OREGON	315.8	253.2	151.8	493.8
PENNSYLVANIA	994.0	922.4	557.0	1,289.2
RHODE ISLAND	57.9	69.7	24.3	82.2
SOUTH CAROLINA	123.7	289.4	249.7	548.5
SOUTH DAKOTA	42.0	71.7	45.1	97.7
TENNESSEE	204.3	327.2	245.2	562.8
TEXAS	1,111.4	1,484.1	883.4	1,679.1
UTAH	95.6	128.2	106.5	258.4
VERMONT	24.5	48.8	246.4	365.2
VIRGINIA	360.5	423.6	392.3	606.5
WASHINGTON	341.5	350.1	156.5	540.8
WEST VIRGINIA	75.9	127.0	154.1	242.5
WISCONSIN	265.5	347.4	415.1	824.9
WYOMING	55.1	93.5	76.7	146.3
DISTRICT OF COLUMBIA	202.4	122.8	142.3	296.1
TOTAL	$ 20,978.6	$ 22,546.4	$ 16,052.8	$ 31,281.3

TABLE 10: 1977 U.S. DOMESTIC TRAVEL EXPENDITURES FOR ALL TRIPS (CONTINUED)
(MILLIONS)

	ENTERTAINMENT AND RECREATION	INCIDENTAL PURCHASES	TOTAL
ALABAMA	$ 88.6	$ 100.9	$ 904.5
ALASKA	25.0	29.5	519.4
ARIZONA	134.5	156.4	1,667.1
ARKANSAS	116.1	136.1	1,057.4
CALIFORNIA	932.2	944.7	12,955.3
COLORADO	240.6	196.0	2,105.8
CONNECTICUT	70.0	65.3	1,300.2
DELAWARE	35.0	33.4	314.8
FLORIDA	665.7	733.4	8,480.4
GEORGIA	215.1	212.4	2,734.9
HAWAII	67.0	76.9	1,470.1
IDAHO	42.4	52.8	573.9
ILLINOIS	291.1	275.4	3,798.3
INDIANA	171.2	188.6	1,747.2
IOWA	102.5	110.5	1,176.6
KANSAS	92.1	97.5	1,028.6
KENTUCKY	116.8	120.9	1,381.7
LOUISIANA	153.8	149.5	1,899.7
MAINE	74.6	76.5	799.0
MARYLAND	122.7	135.9	1,689.9
MASSACHUSETTS	158.8	164.6	2,667.4
MICHIGAN	425.8	372.2	4,002.6
MINNESOTA	287.2	238.4	2,705.7
MISSISSIPPI	71.5	81.5	696.3
MISSOURI	233.2	234.2	2,643.5
MONTANA	54.4	56.1	450.5
NEBRASKA	87.4	91.8	825.2
NEVADA	117.6	120.6	1,814.5
NEW HAMPSHIRE	81.9	66.0	700.8
NEW JERSEY	218.5	226.1	2,999.5

TABLE 10: 1977 U.S. DOMESTIC TRAVEL EXPENDITURES FOR ALL TRIPS (CONTINUED)
(MILLIONS)

	ENTERTAINMENT AND RECREATION	INCIDENTAL PURCHASES	TOTAL
NEW MEXICO	81.8	75.0	809.7
NEW YORK	438.5	433.0	7,137.8
NORTH CAROLINA	238.1	242.9	2,447.3
NORTH DAKOTA	35.8	47.4	447.3
OHIO	302.2	313.1	3,884.5
OKLAHOMA	150.1	149.9	1,357.3
OREGON	138.1	137.7	1,490.4
PENNSYLVANIA	404.3	408.3	4,575.2
RHODE ISLAND	23.2	25.8	283.1
SOUTH CAROLINA	145.3	157.2	1,513.8
SOUTH DAKOTA	31.2	35.2	322.9
TENNESSEE	159.7	166.8	1,665.0
TEXAS	544.1	539.7	6,241.8
UTAH	86.5	81.2	755.4
VERMONT	94.6	81.4	860.9
VIRGINIA	180.0	193.2	2,156.1
WASHINGTON	184.6	170.6	1,744.1
WEST VIRGINIA	80.3	80.3	760.1
WISCONSIN	338.7	249.2	2,440.8
WYOMING	59.6	50.0	481.2
DISTRICT OF COLUMBIA	57.5	56.1	877.2
TOTAL	$ 9,267.5	$ 9,238.1	$109,364.7

TABLE 11: 1977 U.S. TRAVEL-GENERATED PAYROLL (MILLIONS)

	ENTERTAINMENT AND RECREATION	INCIDENTAL PURCHASES	TRAVEL ARRANGEMENT	TOTAL
ALABAMA	$ 21.6	$ 13.8	$ 2.0	$ 184.3
ALASKA	5.7	4.1	3.0	134.3
ARIZONA	35.2	20.5	5.5	350.6
ARKANSAS	26.7	16.4	1.0	204.3
CALIFORNIA	264.5	128.7	118.6	3,045.7
COLORADO	58.8	25.9	9.3	485.2
CONNECTICUT	16.2	8.4	16.4	312.4
DELAWARE	8.1	4.1	.7	96.9
FLORIDA	190.4	101.4	25.8	1,883.1
GEORGIA	60.3	30.4	4.8	559.0
HAWAII	19.5	9.7	28.5	418.0
IDAHO	9.8	6.7	1.2	125.4
ILLINOIS	74.0	39.3	45.6	909.7
INDIANA	43.4	24.3	4.8	374.1
IOWA	23.5	14.6	3.4	247.5
KANSAS	21.3	12.7	5.2	209.0
KENTUCKY	28.2	15.7	1.7	251.8
LOUISIANA	41.3	21.1	5.9	414.2
MAINE	18.9	8.5	.9	171.1
MARYLAND	35.4	18.4	11.1	426.5
MASSACHUSETTS	41.8	21.4	25.9	617.1
MICHIGAN	106.5	52.2	21.3	838.4
MINNESOTA	79.2	32.6	11.5	596.9
MISSISSIPPI	14.9	10.5	1.1	137.1
MISSOURI	67.4	33.3	12.8	574.1
MONTANA	13.4	7.1	1.0	91.7
NEBRASKA	20.8	11.6	2.5	171.0
NEVADA	35.0	15.7	7.0	695.8
NEW HAMPSHIRE	20.2	7.6	1.6	140.3
NEW JERSEY	60.2	29.7	24.8	739.2

TABLE 11: 1977 U.S. TRAVEL-GENERATED PAYROLL (MILLIONS) (CONTINUED)

	ENTERTAINMENT AND RECREATION	INCIDENTAL PURCHASES	TRAVEL ARRANGEMENT	TOTAL
NEW MEXICO	19.1	9.4	1.4	172.6
NEW YORK	121.3	62.9	125.9	1,769.4
NORTH CAROLINA	60.4	33.3	4.0	485.2
NORTH DAKOTA	7.6	5.9	.8	86.1
OHIO	80.2	44.5	17.5	336.3
OKLAHOMA	35.0	18.7	3.2	294.1
OREGON	37.8	17.3	5.4	338.6
PENNSYLVANIA	107.0	55.5	25.7	1,029.0
RHODE ISLAND	6.3	3.3	.8	67.1
SOUTH CAROLINA	34.7	21.9	2.0	302.3
SOUTH DAKOTA	6.9	4.3	.4	62.8
TENNESSEE	39.7	23.3	4.0	344.5
TEXAS	141.5	72.1	28.5	1,330.8
UTAH	25.4	10.4	3.1	165.7
VERMONT	26.9	9.4	.7	199.3
VIRGINIA	47.9	25.9	5.2	457.5
WASHINGTON	47.5	23.9	10.5	399.3
WEST VIRGINIA	17.2	10.2	1.0	157.7
WISCONSIN	88.0	34.6	9.3	517.0
WYOMING	14.4	6.0	.5	96.6
DISTRICT OF COLUMBIA	12.7	8.5	5.3	265.9
TOTAL	$ 2,439.7	$ 1,247.7	$ 573.1	$ 24,782.6

TABLE 11: 1977 U.S. TRAVEL-GENERATED PAYROLL (MILLIONS) (CONTINUED)

	PUBLIC TRANSPORTATION	AUTOMOBILE TRANSPORTATION	LODGING	FOOD
ALABAMA	$ 35.8	$ 13.5	$ 31.2	$ 66.4
ALASKA	51.6	10.5	18.2	41.2
ARIZONA	77.7	26.6	62.4	122.7
ARKANSAS	18.8	15.8	28.6	97.0
CALIFORNIA	1,055.9	234.0	376.6	867.4
COLORADO	120.1	28.0	87.8	155.3
CONNECTICUT	132.5	65.0	20.1	53.8
DELAWARE	24.6	2.3	17.9	29.2
FLORIDA	342.5	107.2	473.7	642.1
GEORGIA	113.4	82.7	93.4	174.0
HAWAII	133.2	23.4	109.8	93.9
IDAHO	21.2	6.6	22.4	57.5
ILLINOIS	350.4	98.6	88.3	213.5
INDIANA	93.2	30.3	47.9	130.2
IOWA	68.5	20.7	30.8	86.0
KANSAS	49.1	27.6	23.2	69.9
KENTUCKY	46.8	41.3	35.6	92.5
LOUISIANA	103.7	43.2	60.9	138.1
MAINE	24.2	5.6	47.1	65.9
MARYLAND	172.8	17.6	51.7	119.5
MASSACHUSETTS	204.2	65.6	107.1	151.1
MICHIGAN	195.6	56.0	138.3	268.5
MINNESOTA	131.3	45.1	93.6	203.6
MISSISSIPPI	21.2	10.8	20.1	58.5
MISSOURI	137.3	51.5	102.1	169.7
MONTANA	5.4	5.9	18.9	40.0
NEBRASKA	34.2	13.4	20.3	68.2
NEVADA	67.3	298.0	128.8	144.0
NEW HAMPSHIRE	13.8	6.8	38.5	51.8
NEW JERSEY	276.9	27.4	108.3	211.9

TABLE 11: 1977 U.S. TRAVEL-GENERATED PAYROLL (MILLIONS) (CONTINUED)

	PUBLIC TRANSPORTATION	AUTOMOBILE TRANSPORTATION	LODGING	FOOD
NEW MEXICO	35.4	11.2	24.3	71.8
NEW YORK	532.4	139.0	274.6	512.3
NORTH CAROLINA	72.4	43.0	80.0	192.1
NORTH DAKOTA	18.0	12.2	8.4	33.2
OHIO	265.0	89.1	89.8	250.2
OKLAHOMA	75.1	16.9	32.0	113.2
OREGON	94.0	20.4	36.1	126.6
PENNSYLVANIA	316.9	77.0	141.3	304.6
RHODE ISLAND	22.6	5.0	6.4	20.7
SOUTH CAROLINA	34.2	21.3	59.8	128.4
SOUTH DAKOTA	12.4	5.4	9.6	23.8
TENNESSEE	55.5	24.4	62.7	135.0
TEXAS	316.1	134.9	212.7	425.0
UTAH	29.7	8.9	23.7	64.5
VERMONT	6.2	3.5	63.2	89.4
VIRGINIA	98.0	38.0	92.0	149.5
WASHINGTON	98.7	29.7	41.3	141.7
WEST VIRGINIA	22.0	9.7	39.2	58.4
WISCONSIN	75.1	26.1	83.4	200.5
WYOMING	15.6	7.5	17.8	34.8
DISTRICT OF COLUMBIA	86.7	13.7	49.2	88.8
TOTAL	$ 6,405.2	$ 2,217.9	$ 3,951.1	$ 7,847.9

TABLE 12: 1977 U.S. TRAVEL-GENERATED EMPLOYMENT (THOUSANDS)

	PUBLIC TRANSPORTATION	AUTOMOBILE TRANSPORTATION	LODGING	FOOD
ALABAMA	2.8	1.9	6.6	16.9
ALASKA	2.7	.9	1.9	4.8
ARIZONA	4.8	3.6	11.0	30.9
ARKANSAS	1.7	2.5	6.1	26.3
CALIFORNIA	57.9	25.8	59.8	175.7
COLORADO	6.9	4.2	17.6	40.6
CONNECTICUT	7.4	7.5	3.6	12.3
DELAWARE	1.9	.4	3.3	7.6
FLORIDA	21.0	13.9	84.0	138.0
GEORGIA	6.5	10.3	17.0	41.5
HAWAII	8.0	3.4	13.9	18.8
IDAHO	1.8	1.0	4.6	15.9
ILLINOIS	20.7	10.7	14.5	50.2
INDIANA	7.3	3.9	10.2	34.0
IOWA	5.9	2.8	7.7	27.1
KANSAS	4.1	3.6	5.6	20.2
KENTUCKY	3.3	5.6	7.8	23.3
LOUISIANA	7.2	6.0	11.7	31.9
MAINE	2.0	.9	9.2	16.1
MARYLAND	12.9	2.1	9.5	26.0
MASSACHUSETTS	12.6	7.5	18.3	35.5
MICHIGAN	14.0	6.8	22.2	66.2
MINNESOTA	7.6	5.8	16.9	58.2
MISSISSIPPI	1.9	1.7	4.0	15.5
MISSOURI	8.4	6.6	18.5	45.3
MONTANA	.4	1.0	4.3	10.9
NEBRASKA	2.5	1.8	4.9	20.1
NEVADA	4.2	33.6	13.6	27.8
NEW HAMPSHIRE	1.4	1.0	6.4	14.0
NEW JERSEY	17.1	3.1	18.5	43.5

TABLE 12: 1977 U.S. TRAVEL-GENERATED EMPLOYMENT (THOUSANDS) (CONTINUED)

	PUBLIC TRANSPORTATION	AUTOMOBILE TRANSPORTATION	LODGING	FOOD
NEW MEXICO	2.9	1.8	5.3	18.7
NEW YORK	29.1	15.8	36.4	97.2
NORTH CAROLINA	5.8	5.9	15.7	48.9
NORTH DAKOTA	1.4	1.6	2.1	10.0
OHIO	18.4	9.5	18.5	61.4
OKLAHOMA	4.8	2.6	6.6	30.0
OREGON	6.2	2.9	7.5	30.4
PENNSYLVANIA	23.1	10.3	27.0	80.1
RHODE ISLAND	1.9	.8	1.4	5.5
SOUTH CAROLINA	3.1	3.4	11.7	33.1
SOUTH DAKOTA	1.0	.8	2.4	7.7
TENNESSEE	4.0	3.5	11.7	34.9
TEXAS	21.1	18.0	40.3	97.2
UTAH	1.9	1.5	4.9	19.9
VERMONT	.5	.6	12.8	23.4
VIRGINIA	5.8	5.1	16.7	37.1
WASHINGTON	5.7	3.7	7.3	30.5
WEST VIRGINIA	2.1	1.4	6.8	15.0
WISCONSIN	5.7	3.7	16.1	60.1
WYOMING	1.4	1.2	3.7	9.3
DISTRICT OF COLUMBIA	5.8	1.5	5.9	14.7
TOTAL	408.6	275.5	694.0	1,860.2

TABLE 12: 1977 U.S. TRAVEL-GENERATED EMPLOYMENT (THOJSANDS) (CONTINUED)

	ENTERTAINMENT AND RECREATION	INCIDENTAL PURCHASES	TRAVEL ARRANGEMENT	TOTAL
ALABAMA	4.4	2.2	.2	35.0
ALASKA	.8	.4	.2	11.7
ARIZONA	6.3	3.3	.7	50.6
ARKANSAS	5.4	2.7	.2	44.9
CALIFORNIA	33.5	17.8	12.7	393.2
COLORADO	8.8	4.0	1.1	83.2
CONNECTICUT	2.5	1.2	1.7	36.2
DELAWARE	1.3	.7	.1	15.3
FLORIDA	26.3	15.4	3.2	301.8
GEORGIA	10.0	4.6	.5	90.4
HAWAII	3.2	1.4	3.5	52.2
IDAHO	2.5	1.1	.2	27.1
ILLINOIS	11.5	5.8	4.7	118.1
INDIANA	8.5	3.9	.6	68.4
IOWA	6.5	2.4	.5	52.9
KANSAS	4.9	2.2	.6	41.2
KENTUCKY	5.5	2.6	.3	48.4
LOUISIANA	7.3	3.2	.6	67.9
MAINE	3.8	1.3	.1	33.4
MARYLAND	5.8	2.8	1.4	60.5
MASSACHUSETTS	6.5	3.3	2.5	86.2
MICHIGAN	16.8	7.3	2.2	135.5
MINNESOTA	15.7	5.0	1.2	110.4
MISSISSIPPI	3.5	1.8	.2	28.6
MISSOURI	11.7	5.0	1.3	96.8
MONTANA	3.4	1.1	.2	21.3
NEBRASKA	5.3	2.1	.3	37.0
NEVADA	3.8	2.1	.6	95.7
NEW HAMPSHIRE	3.6	1.2	.2	27.8
NEW JERSEY	9.1	4.7	2.9	98.9

TABLE 12: 1977 U.S. TRAVEL-GENERATED EMPLOYMENT (THOUSANDS) (CONTINUED)

	ENTERTAINMENT AND RECREATION	INCIDENTAL PURCHASES	TRAVEL ARRANGEMENT	TOTAL
NEW MEXICO	3.7	1.6	.2	34.2
NEW YORK	13.9	8.3	11.6	212.3
NORTH CAROLINA	11.3	5.1	.5	93.2
NORTH DAKOTA	2.1	1.0	.1	18.3
OHIO	13.5	6.6	1.8	129.7
OKLAHOMA	6.5	3.1	.4	54.0
OREGON	7.1	2.4	.8	57.3
PENNSYLVANIA	17.6	8.6	3.0	169.7
RHODE ISLAND	1.1	.5	.3	11.5
SOUTH CAROLINA	6.4	3.5	.2	61.4
SOUTH DAKOTA	1.8	.7	.1	14.5
TENNESSEE	6.9	3.6	.5	65.1
TEXAS	23.4	11.0	3.0	214.0
UTAH	5.5	1.7	.4	35.8
VERMONT	6.3	1.4	.1	45.1
VIRGINIA	9.3	4.3	.8	79.1
WASHINGTON	7.9	3.1	1.8	60.0
WEST VIRGINIA	3.2	1.6	.1	30.2
WISCONSIN	19.4	5.5	1.0	111.5
WYOMING	3.4	.9	.1	20.0
DISTRICT OF COLUMBIA	1.5	1.1	.6	31.1
TOTAL	410.0	198.2	72.1	3,308.6

TABLE 13: 1977 U.S. TRAVEL-GENERATED TAX REVENUES (MILLIONS)

	FEDERAL TAX REVENUES	STATE TAX REVENUES	LOCAL TAX REVENUES	TOTAL
ALABAMA	$ 36.7	$ 36.2	$ 9.0	$ 81.9
ALASKA	35.8	11.6	4.0	51.4
ARIZONA	72.3	68.8	22.6	163.7
ARKANSAS	33.9	42.9	4.2	81.0
CALIFORNIA	803.0	437.0	222.8	1,462.8
COLORADO	104.9	64.5	39.9	209.3
CONNECTICUT	119.2	78.3	16.8	214.3
DELAWARE	25.4	6.5	1.7	33.6
FLORIDA	392.1	317.6	57.8	767.5
GEORGIA	123.0	108.8	24.2	256.0
HAWAII	91.4	55.2	9.7	156.3
IDAHO	25.9	21.8	4.2	51.9
ILLINOIS	355.8	124.1	50.9	530.8
INDIANA	78.2	67.8	16.9	162.9
IOWA	51.3	40.9	10.6	102.8
KANSAS	42.6	41.4	9.0	93.0
KENTUCKY	52.8	66.0	6.1	124.9
LOUISIANA	86.2	66.2	18.8	171.2
MAINE	31.1	33.0	6.8	70.9
MARYLAND	129.7	58.2	19.4	207.3
MASSACHUSETTS	163.9	136.2	44.4	344.5
MICHIGAN	211.0	151.1	38.5	400.6
MINNESOTA	169.4	127.2	23.5	320.1
MISSISSIPPI	22.0	32.6	7.2	61.8
MISSOURI	159.9	90.1	29.4	279.4
MONTANA	15.1	10.2	5.1	30.4
NEBRASKA	37.3	33.5	11.1	81.9
NEVADA	119.6	39.4	23.6	182.6
NEW HAMPSHIRE	27.8	12.0	8.0	47.8
NEW JERSEY	285.9	111.2	44.2	441.3

TABLE 13: 1977 U.S. TRAVEL-GENERATED TAX REVENUES (MILLIONS) (CONTINUED)

	FEDERAL TAX REVENUES	STATE TAX REVENUES	LOCAL TAX REVENUES	TOTAL
NEW MEXICO	31.8	33.7	3.8	69.3
NEW YORK	519.0	299.8	253.8	1,072.6
NORTH CAROLINA	103.0	89.0	23.9	215.9
NORTH DAKOTA	17.6	21.2	3.2	42.0
OHIO	254.5	126.0	39.3	419.8
OKLAHOMA	62.5	34.0	23.8	120.3
OREGON	103.5	25.3	16.8	145.6
PENNSYLVANIA	258.7	218.8	39.4	516.9
RHODE ISLAND	17.3	15.8	3.3	36.4
SOUTH CAROLINA	53.4	67.5	6.8	127.7
SOUTH DAKOTA	11.8	12.9	4.2	28.9
TENNESSEE	128.9	75.7	20.0	224.6
TEXAS	341.4	180.1	83.1	604.6
UTAH	34.1	32.5	9.0	75.6
VERMONT	29.0	44.5	11.4	84.9
VIRGINIA	88.3	75.9	30.5	194.7
WASHINGTON	87.0	71.0	14.6	172.6
WEST VIRGINIA	26.6	25.5	3.0	55.1
WISCONSIN	113.3	108.1	21.6	243.0
WYOMING	17.0	16.2	5.9	39.1
DISTRICT OF COLUMBIA	67.5	67.3	7.7	142.5
TOTAL	$ 6,269.4	$ 4,131.1	$ 1,415.5	$11,816.0

Appendix A:

Travel Economic Impact Model

INTRODUCTION

The Travel Economic Impact Model (TEIM) was developed to provide annual estimates of the impact of the travel activity of U.S. residents on national, state and county economies in this country. It is a disaggregated model built upon estimates of 16 travel expenditure categories, their impact on 16 types of travel-related businesses at the retail level, and the business receipts, employment, personal income, and tax receipts that result.

The TEIM has the capability of estimating the economic impact of various types of travel, such as business and vacation, by transport mode and type of accommodations used, and other trip and traveler characteristics. While the benchmark estimate Model is primarily based on data gathered by the U.S. Bureau of the Census in 1977, it can be updated to provide estimates for succeeding years.

The TEIM has been used to develop estimates of 1977 travel expenditures and the effect of these expenditures on employment, payroll and tax revenue in each of the 50 states and the District of Columbia. The County Impact Component of the TEIM allows estimation of the economic impact of travel at the county and city level. The county-level estimates discussed in this report are derived from this component.

The 1977 estimates of economic impact contained herein were developed through a FLARES computer program designed by the staff of the U.S. Travel Data Center and the Computer Sciences Corporation of Rosslyn, Virginia.

Definition of Terms

There is no commonly-accepted definition of travel in use at this time. However, the industry appears to be converging on the concept that travel involves all activity related to trips to places outside the traveler's home area, or more specifically, places 50 miles or more away from home, except for commuting to and from work.[1] However, the principal data sources for measuring travel activity levels, the U.S. Census Bureau's 1967 and 1977 National Travel Survey and economic censuses, used different definitions. Since these are the only comprehensive, large-sample survey sources of the travel activity in the U.S., the definitions of travel in these surveys are adopted for the purposes of this report.

For the purposes of the estimates herein, "travel" is defined as activities associated with all overnight trips away from home, and day-trips to places 100 miles or more away from the traveler's origin. This definition is largely coterminous with the 50-mile definition, but each definition excludes activity included by the other. The TEIM definition includes all overnight trips regardless of distance away from home, but excludes trips to places 50 to 100 miles away from home. The 50-mile definition excludes overnight trips to places less than 50 miles away from home, but includes day-trips of one-way distances 50 to 100 miles. Given these differences, it appears a priori that the total volume of travel expenditures associated with each definition is quite similar.

The word "tourism" is avoided in this report because of its vague meaning. Some define tourism as all travel away from home while others use the dictionary definition which limits tourism to personal or pleasure travel.

The "travel industry," as used herein, refers to the collection of 16 types of businesses that provide goods and services to the traveler or potential traveler at the retail level (see the Glossary). These business types are as defined by the Office of Management and Budget in its system of Standard Industrial Classifications (SIC).[2] In each case, the relevant SIC code is included.

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[1] See National Tourism Resources Review Commission, Destination U.S.A., Volume 2: Domestic Tourism, U.S. Government Printing Office, Washington, D.C., 1973, pp. 4-5; Frechtling, Douglas C., "Proposed Standard Definitions and Classifications for Travel Research," Marketing Travel and Tourism, Seventh Annual Conference Proceedings, The Travel Research Association, Salt Lake City, 1976, pp. 59-73.

[2] Office of Management and Budget, U.S. Executive Office of the President, Standard Industrial Classification Manual, 1972, U.S. Government Printing Office, Washington, D.C., 1973, 649 pp.

A "travel expenditure" is assumed to take place whenever a traveler exchanges money for an activity considered part of his trip. Total travel expenditures are broken down into 16 separate categories representing traveler purchases of goods and services at the retail level. Travel expenditures are allocated among states and counties by simulating where the exchange of money for goods or services actually took place. By their nature, some travel expenditures are assumed to occur at the traveler's origin, some at his destination and some enroute.

"Economic impact" is represented by measures of spending, employment, payroll, business receipts and tax revenues generated by traveler spending. Payroll includes all forms of compensation, such as salaries, wages, commissions, bonuses, vacation allowances, sick leave pay and the value of payments in kind paid during the year to all employees. Payroll is reported before deductions for social security, income tax insurance, union dues, etc. This definition follows that used by the U.S. Census Bureau in the 1972 Census of Retail Trade.[3]

"Employment" represents the number of jobs generated by traveler spending, both full- and part-time. As such, it is consistent with the U.S. Department of Labor series on non-agricultural payroll employment.[4] Tax revenues include corporate income, individual income, sales and gross receipts, and excise taxes by level of government.[5] Business receipts reflect travel expenditures less the sales and excise taxes imposed on those expenditures.

Terms for a more complete set of definitions appears in the Glossary of this volume.

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[3]U.S. Bureau of the Census, Census of Retail Trade, 1972, Area Series, United States, RC72-A-52, U.S. Government Printing Office, Washington, D.C., 1972, p. A3.

[4]U.S. Department of Labor, Handbook of Labor Statistics, 1975, U.S. Government Printing Office, Washington, D.C., 1975, pp. 4-6.

[5]Advisory Commission on Intergovernmental Relations, State-local Finances: Significant Features and Suggested Legislation, 1972, U.S. Government Printing Office, Washington, D.C., 1972, passim.

Description of the Model[6]

The basic data on travel activity levels (e.g., number of miles traveled by mode of transportation, the number of nights away from home spent by type of accommodation) are available from the 1977 National Travel Survey.[7] Through the TEIM's National Travel Expenditure Component (NTEC), the activity levels for trips to places within the United States are combined with the appropriate average costs of each unit of travel activity, (e.g., cost per mile by mode of transport, cost per night by type of accommodation), to produce estimates of the total amount spent on each of 16 categories of travel-related goods and services by state. For example, the number of nights spent by travel parties in commercial lodging in Maryland is multiplied by the average cost per night per travel party of staying in a commercial lodging facility in Maryland to obtain the estimate of traveler expenditures for hotel, motel and tourist court accommodations.

The expenditure data resulting from the National Travel Expenditure Component cover only those trips to places 100 miles or more away from home, the basic trip definition used in the 1977 National Travel Survey (NTS). Consequently, these results understate U.S. travel expenditures on all overnight trips and day-trips of 100 miles for two reasons. First, only 100-mile trips are included in the 1977 NTS and the expenditure estimates based upon it. Second the 1977 NTS may have underestimated travel activity, with resulting expenditure estimates based upon it underestimated as well.

In order to correct for these potential sources of underestimation, the results of the NTEC for each state are calibrated using estimates provided by the U.S. Census Bureau's 1977 Census of Service Industries (CSI).[8] The NTEC estimates of traveler spending for commercial accommodations are compared to the CSI estimates of hotel/motel receipts from room rentals, and the state travel expenditure estimates for each category are adjusted by the ratio of the CSI estimates of hotel/motel room rental receipts in a state to the NTEC estimates of travel spending on commercial accommodations in the state. The results are adjusted travel expenditures in each of the 16 categories for each state which represent expenditures on overnight trips away from home, and day trips to places 100 miles or more away from home.

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[6]For a detailed description of the TEIM, including equations and data sources, see Frechtling, Douglas C., et. al., Travel Economic Impact Model, Volume I: Final Economic Analysis Methodology, U.S. Travel Data Center, Washington, D.C., 1975, 108 pp.

[7]U.S. Bureau of the Census, 1977 Census of Transportation, National Travel Survey, U.S. Government Printing Office, Washington, D.C. 1979, 362 pp.

[8]U.S. Bureau of the Census, 1977 Census of Service Industries, Geographic Area Series, U.S. Government Printing Office, Washington, D.C., 1979.

The Economic Impact Component of the TEIM estimates travel-generated business receipts, employment, and payroll. Basically, the 16 types of travel expenditures are associated with 16 different types of travel-related businesses. For example, traveler spending on commercial lodging in a state is related to the business receipts, employment and payroll of hotels, motels and motor hotels (SIC 701) in the state. It is assumed that travel spending in each category, less sales and excise taxes, equals business receipts for the related business type as defined by the U.S. Census Bureau.

It is assumed that each job in a specific type of business in a state is supported by some amount of business receipts and that each dollar of wages and salaries is similarly supported by some dollar volume of business receipts. The ratios of employment to business receipts are computed for each industry in each state. These ratios are then multiplied by the total amount of business receipts generated by traveler spending in a particular type of business to obtain the measures of travel-generated employment and payroll of each type of business in each state. For example, the ratio of employees to business receipts in Maryland commercial lodging establishments is multiplied by traveler-generated business receipts of these establishments to obtain traveler-generated employment in commercial lodging. A similar process is used for the payroll estimates.

The Fiscal Impact Component of the TEIM is used to estimate traveler-generated tax revenues of federal, state and local governments. The yield of each type of tax is related to the best measure of the revelant tax base available for each state consistent with the output of the Economic Impact Component. The ratios of yield to base for each type of tax in each state is then applied to the appropriate primary level output to obtain estimates of tax receipts generated by travel. For example, the ratio of Maryland State personal income tax collections to payroll in the state is applied to total travel-generated payroll to obtain the estimate of state personal income tax receipts attributable to traveler spending in Maryland.

The 1977 benchmark estimates of travel expenditures, and travel-generated employment, payroll and federal, state and local tax revenue, are up-dated for each succesive year. Data from the U.S. Bureau of the Census, the Federal Aviation Administration, the Civil Aeronautics Board, Amtrak, the American Bus Association, the Federal Highway Administration, state revenue departments, the Data Center's Annual National Travel Survey and other sources are used for this purpose. These data indicate the change in travel spending for each of the expenditure categories for each state over the previous year, as well as changes in the relationship of travel spending to employment, payroll and tax revenue. A new benchmark estimate will be computed when the results of the Census Bureau's 1982 National Travel Survey are available.

Limitations of the Study

This study is designed to indicate the impact of U.S. traveler expenditures on employment, payroll, business receipts and tax revenue in each of the states. These impact estimates reflect the limitations inherent in the definition of travel expenditures. Two important classes of travel-related expenses have not been estimated due to lack of sufficient data. Consumers purchase certain goods and services in anticipation of a trip away from home. These include sports equipment (tennis racquets, skis, scuba gear, etc.), clothing (tennis clothes, ski togs, bathing wear, etc.), travel books and guides, and services such as language lessons and lessons for participatory sports (tennis, skiing, underwater diving, etc.). Although the magnitude of these purchases in preparation for a trip cannot be quantified, it is probably significant relative to overall travel expenditures.

The second type of spending not covered due to lack of sound, relevant data is the purchase of major consumer durables generally related to outdoor recreation on trips. While recreational vehicles (campers, motor homes, trailers and mobile homes) are covered, spending for boats and boating supplies, and off-road recreational vehicles such as trail bikes, dune buggies and snowmobiles are not. Further research is required in this area to estimate the average spending on items such as these by travelers.

Certain states generate peculiar spending behavior relative to others. For example, traveler expenditures on gaming in Nevada comprise a substantial portion of tourist receipts, and contribute heavily to the state's economy. Data on such unusual spending is virtually unavailable, and thus these activities are not reflected in these estimates at this time.

Moreover, the TEIM records travel expenditures only for those states where travelers spent the night, originated, or were destined. Due to the nature of the Census Bureau's 1977 National Travel Survey, expenditures could not be allocated to states passed through in a single day. It is believed these expenditures may be quite significant to certain "bridge" states between major population concentrations and major destinations.

The trip definition inherent in this study also limits the estimates of economic impact somewhat. Specifically excluded are the economic effects of U.S. traveler expenditures in this country pursuant to traveling to a foreign destination. Also excluded is the impact of day-trips to places less than 100 miles from home. While these latter trips may be quite numerous, intuitively, they appear to involve little economic impact since lodging expenditures and virtually all common carrier spending are excluded. Meal, entertainment and recreation expenditures on these trips also seem relatively insignificant.

These travel expenditure and impact estimates are based on household surveys of travel activity. Consequently, they are subject to all of the sampling and non-sampling errors inherent in sample surveys.

Most travel expenditure data collected is on a "type of purchase" rather than "point of purchase" basis. This means there is some incongruity in matching spending on different goods and services while traveling with the receipts, employment and payroll of different types of businesses. For example, all spending for meals is assumed to take place in eating and drinking places (SIC 58), whereas some may actually occur in hotels or other commerical lodging places (701). This inconsistency does not appear to introduce major errors in the calculations and can only be corrected upon collection of point-of-purchase expenditure data.

Little is known about the type of purchases made in this country by foreign visitors. Consequently, these expenditures cannot be distributed among the states or among expenditure categories to determine precise impact. However, it should be recognized that the estimates contained herein significantly understate the impact of tourism in states which receive a substantial number of foreign visitors.

Appendix B:

Glossary of Terms

GLOSSARY OF TERMS

Automobile Transportation Expenditure. This category includes a prorate share of the fixed costs of owning an automobile, truck, camper, or other recreational vehicle, such as insurance, license fees, tax, and depreciation costs. Also included are the variable costs of operating an automobile, truck, camper, or other recreational vehicle on a trip, such as gasoline, oil, tires, and repairs. The costs of renting an automobile or other motor vehicle are included in this category as well.

Automobile Transportation Industry. Automotive dealers and gasoline service stations (SIC 55); automotive rental and leasing without drivers (751).

Entertainment/Recreation Expenditure. Traveler spending on recreation facility user fees, admissions at amusement parks and attractions, attendance at nightclubs, movies, legitimate shows, sports events, and other forms of entertainment and recreation while traveling.

Entertainment/Recreation Industry. Amusement and recreation services (SIC 79) and motion picture theaters (783).

Food Expenditure. Traveler spending in commercial eating facilities and grocery stores or carry-outs, as well as on food purchased for off-premise consumption.

Food Service Industry. Eating and drinking places (SIC 58).

General Retail Trade Industry. This sector is defined to receive incidental purchases by travelers. It includes general merchandise group stores (SIC 53) and miscellaneous retail stores (59).

Incidental Purchase Expenditure. Traveler spending on retail trade purchases including gifts for others, medicine cosmetics, clothing, personal services, souvenirs, and other items of this nature.

Incidental Purchase Industry. See General Retail Trade Industry.

Lodging Industry. This industry includes hotels, motels and motor hotels (SIC 701), camps and trailer parks (703), and general building contractors -- residential buildings (152) and operative builders (1531).

Public Transportation Expenditures. This includes traveler spending on air, bus, rail and boat/ship transportation, and taxicab or limousine service between airports and central cities. Also included are expenditures on "other transportation" as indicated in the 1977 National Travel Survey.

Public Transportation Industry. Air transportation (SIC 45), taxicab companies (411), intercity highway passenger transportation (413), National Railroad Passenger Corporation (Amtrak), and water transportation (44 except 441). Also is the "dummy" industry of "other transportation."

Tourism. Generally avoided in this study, this term can be used to refer to pleasure or personal travel, a subset of travel.

Travel. The act of taking a "trip" (qq.v.)

Travel Arrangement Industry. This includes travel agencies, tour operators, and other services in arranging passenger transportation, and is covered under SIC 4722.

Traveler. A person on a "trip" (qq.v.).

Travel Expenditure. The exchange of money or the promise of money for goods or service while traveling, including any advance purchase of public transportation tickets, lodging or other items normally considered incidental to travel, but which may be purchased in advance of the trip. In addition, certain of the "fixed" or capital costs of owning a motor vehicle (including campers, motor homes, etc.) or a vacation or second home are included as associated with taking a trip. Generally, expenditures are assumed to take place at the point where the good or service is bought while traveling. The two exceptions to this rule are that the fixed costs of operating a motor vehicle while on a trip are allocated to the traveler's area of residence, and the "imputed rent" of spending nights in the traveler's own vacation home are allocated to the area visited.

Travel-generated Employment. The number of jobs attributable to travel expenditures in an area. These estimates of employment follow the "establishment payroll survey definition" rather than the "household survey definition." Consequently the TEIM estimates are more closely related to the number of jobs than to number of employees. For a detailed description of the household and establishment survey differences, see Green, Gloria P., "Comparing Employment Estimates from Household and Payroll Surveys," Monthly Labor Review, Vol. 92, No. 12 (December, 1969).

Travel-generated Payroll. This is the payroll, or wage and salary income, attributable to travel expenditures in an area. Payroll includes all forms of compensation, such as salaries, wages, commissions, bonuses, vacation allowances, sick leave pay, and the value of payments in kind (such as free meals and lodgings) paid during the year to all employees. Trips and gratuities received by employees from patrons and reported to employers are included. For corporations, it includes amounts paid to officers and executives; for unincorporated businesses, it does not include profit nor other compensation of proprietors or partners. Payroll is reported before deductions for social security, income tax, insurance, union dues, etc.

Travel-generated Tax Receipts. These are federal, state and local tax revenues attributable to travel in an area. For a given state locality, all or some of the taxes may apply. "Local" includes county, city or municipality, and township units of government. This tax revenue is attributable to the level of government actually collecting the receipts, and not the level that may end up receiving it through intergovernmental transfers.

Federal. These receipts include corporate income taxes, individual income taxes, employment taxes, gasoline excise taxes, and airline ticket taxes.

State. These receipts include corporate income taxes, individual income taxes, sales and gross receipts taxes, and excise taxes.

Local. These include county and city receipts from individual and corporate income taxes; sales, excise and gross receipts taxes, and property taxes.

Travel-generated Wage and Salary Income. The same as "travel-generated payroll."

Trip. A trip occurs, for the purpose of the Model, every time one or more persons goes to a place 100 miles or more away from home in one day, or is out-of-town one or more nights, and returns to his origin. Specifically excluded from this definition are: (1) travel as part of an operating crew on a train, plane, bus, truck or ship; (2) commuting to a place of work; (3) student trips to school or those taken while in school. Also excluded is foreign travel activity in the U.S.

Visitor. This term is usually limited to special studies of individual cities or metropolitan areas. It includes those not residing in the area under study who travel away from home overnight or on a day trip of 200 round-trip miles or more and visit the area. As a general rule, total travel impact on an area less the impact of area residents equals visitor impact.